

ANNOUNCEMENT OF BASIC FORMULA PRICE INFORMATION, April 5, 1999 1/

BASIC FORMULA PRICE FOR MARCH 1999: \$11.62

BUTTERFAT DIFFERENTIAL FOR MARCH 1999 (value per 0.1% butterfat): \$.132

BASE MONTH PRICE DATA FOR FEBRUARY 1999:

| | | | |
|----------------|---------|----------------|-------|
| PRICE AT TEST | \$12.05 | PROTEIN TEST | 3.21% |
| BUTTERFAT TEST | 3.86% | SOLIDS-NOT-FAT | 8.63% |
| PRICE AT 3.5% | \$11.55 | | |

CHANGE IN PRODUCT PRICE FORMULA FEBRUARY TO MARCH 1999: \$+0.07

MILK COMPONENT TESTS FOR MARCH 1999:

| | | | |
|----------------|-------|----------------|-------|
| PROTEIN | 3.19% | BUTTERFAT TEST | 3.85% |
| SOLIDS-NOT-FAT | 8.62% | | |

BASIC FORMULA PRICE AT TEST FOR MARCH 1999: \$12.08

PRODUCT PRICE AVERAGES FOR MARCH 1999 (dollars per pound):

| | |
|---|----------|
| BUTTER, GRADE AA, CHICAGO MERC. EX. | \$1.2927 |
| BUTTER, EQUIVALENT GRADE A | 1.2027 |
| CHEESE, 40-LB BLOCK, NASS, U.S. AVERAGE | 1.3092 |
| NONFAT DRY MILK, LOW/MED. HEAT, WEST | 1.0100 |
| DRY BUTTERMILK, WEST | 0.6944 |
| NONFAT DRY MILK, CLASS III-A, WEST | 1.0207 |
| NONFAT DRY MILK, CENTRAL | 1.0239 |

PRODUCTION IN MN/WI FOR FEBRUARY 1999 (thous. lbs.):

| | | | |
|-----------------|---------|-----------------|-------|
| AMERICAN CHEESE | 122,603 | NONFAT DRY MILK | 1,956 |
|-----------------|---------|-----------------|-------|

CLASS III-A PRICES FOR MARCH 1999:

| | | | |
|--------------------|---------|---------------------------|---------|
| FOR ORDERS 1 AND 2 | \$12.31 | FOR ORDER 124, 131, & 135 | \$12.33 |
| FOR ORDER 4 | \$12.33 | FOR OTHER AFFECTED ORDERS | \$12.36 |

1/ United States Department of Agriculture, Agricultural Marketing Service.
For further information contact John Rourke, 202-720-7461. Prices are dollars per 100 pounds (cwt.) unless otherwise indicated.

REGIONAL MILK PRODUCTION COSTS, FEBRUARY AND MARCH, 1999 2/:

| REGION | TOTAL CASH EXPENSES | | TOTAL ECONOMIC COSTS | |
|-----------------|---------------------|---------|----------------------|---------|
| | FEB.3/ | MAR. | FEB.3/ | MAR. |
| NORTHEAST | \$13.83 | \$13.76 | \$18.87 | \$18.81 |
| SOUTHEAST | 14.91 | 14.86 | 19.25 | 19.21 |
| UPPER MIDWEST | 12.94 | 12.89 | 17.62 | 17.58 |
| CORN BELT | 13.91 | 13.85 | 19.83 | 19.77 |
| SOUTHERN PLAINS | 12.93 | 12.89 | 16.76 | 16.72 |
| PACIFIC | 10.74 | 10.68 | 12.82 | 12.78 |

2/ United States Department of Agriculture, Economic Research Service. For further information, contact Sara Short, 202-694-5588. Costs are dollars per 100 pounds (cwt.). Regions are defined as: Northeast--New York, Pennsylvania, and Vermont; Southeast--Florida and Georgia; Upper Midwest--Michigan, Minnesota, and Wisconsin; Corn Belt--Iowa, Missouri, and Ohio; Southern Plains--Texas; Pacific--Arizona, California, and Washington.

3/ Revised from last month due to changes in milk production, producer price indexes, corn market price, and economic indicators for the U.S. economy.